Introduced by Assembly Member Shirley Horton

February 22, 2005

Assembly Joint Resolution No. 9— Relative to transportation.

LEGISLATIVE COUNSEL'S DIGEST

AJR 9, as introduced, Shirley Horton. Transportation infrastructure finance.

This measure would memorialize the President and the Congress of the United States to enact legislation that will ensure that California receives a more equitable distribution of federal tax dollars for transportation funding and a higher rate of return in terms of federal money received per dollar of federal tax paid.

Fiscal committee: yes.

- WHEREAS, Through borders, ports, rail, and highway corridors, California's transportation system supports the mobility of goods and people, creates jobs directly and throughout the economy, and leverages local and federal resources for critical mobility and air quality projects; and
 - WHEREAS, California cannot continue to sustain its competitiveness, economy, and quality of life without maintaining and expanding its transportation infrastructure. Only through major, predictable investments in all aspects of the
- 10 state's transportation system, including, but not limited to,
- monitoring, maintenance and rehabilitation, traffic operations,
- 12 traffic management, and road and transit capacity enhancement,
- 13 can California protect its position in the national marketplace and
- 14 global economy; and

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 $AJR 9 \qquad \qquad -2-$

WHEREAS, As a matter of equity, California should receive a greater share of federal funding because the state faces unique demands in homeland security, transportation, Medi-Cal, child care, and in incarcerating illegal aliens convicted of crimes; and

WHEREAS, California has been a "donor" to the federal budget since 1986, when it began getting less money back than it sent to Washington. A return rate for California of 98 cents per dollar in 1994 has dropped steadily since then, reaching a low of 78 cents in 2003, according to the latest available data; and

WHEREAS, In 2003, California sent \$50.6 billion more to Washington in federal taxes than the state received in federal spending. The rate of return for California in 2003 ranked 43rd in terms of federal money received per dollar of federal tax paid. New Mexico ranked number one with \$1.99 per dollar sent to Washington. New Jersey was in last place with 57 cents per dollar in federal taxes; and

WHEREAS, Reauthorization of the next part of the federal Surface Transportation Extension Act of 2004, Part V (P.L. 108-310) continues to be a critical priority for California and Governor Schwarzenegger's administration continues to work on this priority issue in partnership with California's Congressional delegation and the Bush administration to ensure that California receives its fair share of federal transportation funding; and

WHEREAS, Governor Schwarzenegger and others argue that California should get more federal money for having a greater terrorist threat, bigger national transportation corridors, and health funding formulas skewed by high per capita income; and

WHEREAS, The Governor's proposed budget for 2005-06 notes that California represents more than 13.5 percent of the nation's Gross Domestic Product and that Californians are doing more than their fair share to address transportation congestion and the problem of shipping goods throughout the state by passing local transportation sales tax initiatives and approving ballot initiatives to commit the state's gas tax revenues to transportation, but that the state still receives less than 10 percent of federal highway funding; and

WHEREAS, The Governor announced in releasing his proposed budget for 2005-06 that he will make it a top priority to work with California's bipartisan delegation to increase federal investment in the national transportation program and a share for

-3- AJR 9

California that more appropriately reflects the state's contribution to the economy and our trade system; now, therefore, be it

Resolved by the Assembly and the Senate of the State of California, jointly, That the Legislature of the State of California memorializes the President and the Congress of the United States to enact legislation that will ensure that California receives a more equitable distribution of federal tax dollars for transportation funding and a higher rate of return in terms of federal money received per dollar of federal tax paid; and be it further

Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the United States House of Representatives, to the Majority Leader in the Senate, to each Senator and Representative from California in the Congress of the United States, and to the author for appropriate distribution.